

State of Utah School & Institutional Trust Lands Administration

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Jon M. Huntsman, Jr. Governor

> Kevin S. Carter Director

675 East 500 South, Suite 500 Salt Lake City, UT 84102-2818 801-538-5100 801-355-0922 (Fax) www.trustlands.com

February 27, 2008

CERTIFIED MAIL NO. 7160 3901 9842 1746 8727

Western Clay Company P.O. Box 1067 Aurora, UT 84620

RE: ML 29434-BSLS

Gentlemen:

The above numbered mineral lease for Building Stone/Limestone was issued with an effective date of April 1, 1973. Article II of the terms and conditions of the lease provides that the lease may not extend beyond the end of the 20th year except by commercial production of the leased substances. In checking the lease records I find that no production has occurred from the lease since the end of 2006. Accordingly this lease will be terminated on the records of the Trust Lands Administration on its next due date, April 1, 2008.

I understand that you recently completed partial reclamation of the mined land disturbances in accordance with the requirements of your DOGM Mine Permit #M/410/004. You may have up to 60 days following the above lease termination date, or until June 1, 2008, to complete all reclamation work and remove all personal property from the leased premises. Please contact me if you have any questions in this matter.

Sincerely,

John T. Blake Mineral Specialist

Cc: Lynn Kunzler

